IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE SEVENTEENTH DAY OF JANUARY
TWO THOUSAND AND FIVE

PRESENT

**THE HON'BLE SRI DEVINDER GUPTA,THE CHIEF JUSTICE**

**and**
**THE HON'BLE MR JUSTICE M.NARAYANA REDDY**

**WRIT PETITION NO : 23982 of 2001**

Between:

K.V.Nagarjuna, S/o.Appaiah
Gurazala (V&M) Guntur District

**..... PETITIONER**

AND

1 The Govt. of A.P. rep.by the Chairman, Implementation,
Secretariat, Public Enterprises Department, B-Block, 3rd Floor, Secretariat Buildings,
Hyderabad-500 022
2 M/s Nagarjuna Cooperative Sugars Ltd.,
Gurazala (V&M) Guntur District
3 Nuziveedu Seeds (P) Ltd., rep.by its M.D.
Mandava Prabhakar having its Regd. Office at 15/1,
Brodipet, Guntur, Guntur District

**.....RESPONDENT(S)**

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue a writ of mandamus directing the respondents to declare the action of the respondents 1 to 3 in shifting /lifting M/s Nagarjuna Cooperative Sugars Ltd., plant situated at Gurazala, Guntur District to the State of Karnataka or to some other place by the 3rd respondent with the approval of the 1st respondent as bad, illegal, arbitrary and violative of Art.19 and 21 of the Constitution of India and Directive Principles of State Policy and consequentially direct the respondents 1 to 3 to retain

and run the said Sugar plant in the same place and pass such other order.

**Counsel for the Petitioner:MR.V.VENUGOPALA RAO**

**Counsel for the Respondent No.1: GP FOR INDUSTRIES & COMMERCE**

**Counsel for the Respondent No.2: None appeared**

**Counsel for the Respondent No.3: Mr. D. Krishna Murthy**

**The Court made the following Oral Order: (per Sri Devinder Gupta, CJ)**

This petition was filed as "Public Interest Litigation" on 20.11.2001 to declare the action of the respondents in shifting M/s. Nagarjuna Co-operative Sugars Limited's Plant situated at Gurazala, Guntur District to the State of Karnataka or to some other place as arbitrary, illegal and violative of Articles 19 and 21 of the Constitution of India.

In the counter affidavit filed by the 3rd respondent, it is stated that the Registrar of Cooperative Societies took a decision that running of the 2nd respondent-Sugar Mill at Gurazala was impossible and it was decided to sell away the sugar mill. It is also stated that as there was no irrigation facility at Gurazala where the unit was located, the 3rd respondent made an application to the Government of Andhra Pradesh to accord permission to relocate the unit under the Ayacut areas of Priyadarshini Jurala Project and Rajolibanda Diversion Scheme in Mahaboobnagar District. But, the same could not be granted as there was proposal to set up another plant there. As there was no other suitable place found to relocate the unit in Andhra Pradesh, the 3rd respondent made an application to the Government of Andhra Pradesh on 30.4.2002 to permit shifting of unit to a place outside the State of Andhra Pradesh. Thereafter, permission was accorded to relocate the Sugar Mill and the machinery outside the State of Andhra Pradesh. The Registrar of Cooperative Societies had sold the assets of Nagarjuna Cooperative Sugars Ltd., in accordance with the provisions of Section 12-A of the A.P. Cooperative Societies Act, 1964. The employees of the Unit also did not raise any objection. It is stated that even the SCM Sugars Ltd., which has purchased the Mill is absorbing some of the erstwhile

employees of the Nagarjuna Cooperative Sugar Mill. It is stated that after shifting of the Unit, the 3rd respondent is contemplating to establish a seed processing plant in that place and it will generate lot of employment in that area and some of the employees of the erstwhile Nagarjuna Cooperative Mills will also be benefited. Sale of the assets of Nagarjuna Cooeprative Sugars Ltd., is thus stated to be in larger public interest.

In view of the subsequent developments, the present writ petition has been rendered infructuous. The writ petition is accordingly disposed of as such. No costs.

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DEVINDER GUPTA, CJ

Date: 17th January, 2005

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M. NARAYANA REDDY,J

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To

1. The Chairman, Implementation,

   Govt. of A.P. Secretariat, Public Enterprises Department, B-Block, 3rd Floor, Secretariat Buildings, Hyderabad-500 022.

2. Two C.Cs. to the Government Pleader for Industries & Commerce, High

Court Buildings, Hyderbad. (OUT)

3. Two C.D. copies